

## ■ Home Rule Sales Tax Summary

### **TO:** All Retailers and Servicepersons Conducting Business in Municipalities That Impose Home Rule Sales Tax

On September 1, 1990, we began administering home rule sales tax for those municipalities that chose to impose the tax. **Effective January 1, 1994**, several additional home rule municipalities have imposed sales tax, and several of those that originally imposed the tax have changed their rates (see the chart accompanying this bulletin).

It may be necessary to adjust your cash registers and any computer programs you use so that, beginning on January 1, you will be collecting and paying the correct amounts.

The home rule sales tax rate is part of the combined rate which is preprinted on your Form ST-1, Sales and Use Tax Return and, for multiple-site filers, your Form ST-2, Multiple Site Form.

### What's being taxed?

The home rule sales tax has the same base for **general merchandise** as the state sales tax you are already familiar with. (The base refers to those items that are taxed. Any item that is exempt from state sales tax will also be exempt from this home rule sales tax.)

You will report receipts from this general merchandise tax on Line 4a on Form ST-1. Your preprinted return will show the correct combined rate.

**Food, drugs, and medical appliances** are exempt from home rule sales tax. (The term "food" here refers to food not for immediate consumption, such as food purchased at a grocery store.)

If your home rule municipality has recently imposed a home rule sales tax or changed its home rule sales tax rates (see the chart accompanying this bulletin), you should take note of the following issues and instructions.

### What do I do when a customer pays me after January 1 for a purchase made earlier at a different rate?

If the original purchase was made at a different tax rate from the rate in Line 4a of Form ST-1, you must report these receipts on Line 8a.


### What's new for those who file Form ST-556, Sales Tax Transaction Return?

If you sell cars or other items that are required to be titled or registered by an agency of Illinois government, you should pay special attention. The home rule sales tax does not apply to these sales, and receipts from these sales will continue to be taxed at the current rate preprinted on your Form ST-556.

However, the rate preprinted on Forms ST-1 and ST-2 applies to receipts from sales of general merchandise, such as the parts you sell over the counter and the parts you use during service of motor vehicles, watercraft, aircraft, trailers, and mobile homes.

**Questions?**

If you have questions or need more information, please call or write us. Our telephone numbers and address are printed at the bottom of this bulletin.

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**FOR  
INFORMATION...**

CALL: 1 800 732-8866 or 217 782-3336

1 800 544-5304 TDD teletype device **for hearing impaired only**

WRITE: Illinois Department of Revenue, 101 W. Jefferson St., P.O. Box 19044, Springfield, IL 62794-9044

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# Sales Tax Rates in Home Rule Units of Local Government

The following chart outlines the sales tax rates for general merchandise effective January 1, 1994, for each of the home rule units in Illinois that impose sales tax. You will find the combined rate preprinted on your Forms ST-1 and ST-2 for each reporting period. Municipalities that have newly imposed home rule sales tax (effective January 1, 1994) are identified as "New."

	Home Rule Sales Tax Rate Effective 1/1/94	Home Rule Sales Tax Rate Change	ST-1/ST-2 Combined Rate Effective 1/1/94	
Alton	0.5%	No change	7%	
Arlington Heights	0.25%	No change	8%	
Aurora (Du Page County)	0.5%	No change	7%	
Aurora (Kane County)	0.5%	No change	7%	
Belleville	0.25%	No change	6.75%	
Bloomington	0.5%	No change	6.75%	
Bolingbrook (Du Page County)	1%	+0.75%	7.5%	
Bolingbrook (Will County)	1%	+0.75%	7.5%	
Buffalo Grove (Cook County)	0.5%	No change	8.25%	
Buffalo Grove (Lake County)	0.5%	No change	7%	
Burnham	1%	No change	8.75%	
Calumet City	0.5%	No change	8.25%	
Carbondale	0.75%	No change	7%	
Champaign	1%	No change	7.25%	
Channahon	1%	+1%	7.5%	(New)
Chicago (Cook County)	1%	No change	8.75%	
Chicago (Du Page County)	1%	No change	7.5%	
Cicero	1%	No change	8.75%	
Danville	1%	No change	7.25%	
Decatur	1%	No change	7.25%	
De Kalb	0.75%	No change	7%	
Des Plaines	0.5%	+0.5%	8.25%	(New)
Dolton	0.5%	+0.5%	8.25%	(New)
East Hazel Crest	0.5%	No change	8.25%	
East St. Louis	1%	No change	7.5%	
Elk Grove Village (Cook County)	0.5%	No change	8.25%	
Elk Grove Village (Du Page County)	0.5%	No change	7%	
Elmhurst	0.25%	No change	7%	
Elmwood Park	1%	No change	8.75%	
Evanston	0.25%	+0.25%	8%	(New)
Fairview Heights	0.25%	+0.25%	6.75%	(New)
Galesburg	0.75%	No change	7%	
Granite City	1%	No change	7.5%	

	Home Rule Sales Tax Rate Effective 1/1/94	Home Rule Sales Tax Rate Change	ST-1/ST-2 Combined Rate Effective 1/1/94	
Hoffman Estates	0.5%	No change	8.25%	
Joliet	1.25%	No change	7.75%	
Moline	0.5%	No change	6.75%	
Morton Grove	0.5%	No change	8.25%	
Mount Prospect	0.25%	No change	8%	
Mount Vernon	0.75%	No change	7%	
Niles	0.5%	No change	8.25%	
Normal	0.5%	No change	6.75%	
Norridge	1%	No change	8.75%	
Palatine	0.5%	No change	8.25%	
Pekin (Peoria County)	1%	+1%	7.25%	(New)
Pekin (Tazewell County)	1%	+1%	7.25%	(New)
Peoria	1%	No change	7.25%	
Peoria Heights	0.5%	No change	6.75%	
Quincy	0.75%	No change	7%	
Rock Island	0.5%	No change	6.75%	
Rolling Meadows	0.25%	No change	8%	
Rosemont	1.25%	+0.25%	9%	
Sauget	0.5%	+0.5%	7%	(New)
Schaumburg (Cook County)	0.5%	No change	8.25%	
Schaumburg (Du Page County)	0.5%	No change	7%	
Sesser	1%	No change	7.25%	
Skokie	0.75%	No change	8.5%	
South Barrington	1%	+1%	8.75%	(New)
Springfield	1%	No change	7.25%	
Stone Park	1%	No change	8.75%	
Streamwood	0.5%	No change	8.25%	
Urbana	1%	No change	7.25%	
Watseka	0.75%	+0.75%	7%	(New)
West Dundee	0.5%	No change	7%	
Wheeling (Cook County)	0.25%	+0.25%	8%	(New)
Wheeling (Lake County)	0.25%	+0.25%	6.75%	(New)
Cook County (Countywide)	0.75%	No change	*	

\* Cook County imposes a 0.75% county home rule sales tax. For unincorporated areas in Cook County, the ST-1/ST-2 combined rate remains at 7.75%. For home rule municipalities within Cook County that impose home rule sales tax, the ST-1/ST-2 combined rate varies (see the entries for each municipality.)